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**ANNUAL AUDITED REPORT SEC
FORM X-17A-5
PART III**

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Section

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FACING PAGE
Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder
Washington DC
400

REPORT FOR THE PERIOD BEGINNING October 1, 2011 AND ENDING September 30, 2012
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Scott-Macon Securities, Inc.

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

800 Third Avenue

(No. and Street)

New York

(City)

New York

(State)

10022

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

William K. French

(212) 755-8200

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

Rosen Seymour Shapss Martin & Company LLP

(Name -- if individual, state last, first, middle name)

757 Third Avenue

(Address)

New York

(City)

NY

(State)

10017

(Zip Code)

CHECK ONE:

Certified Public Accountant

Public Accountant

Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

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OATH OR AFFIRMATION

I, William K. French, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Scott-Macon Securities, Inc., as of September 30, 2012, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

William K. French

Signature

Vice President

Title

Donna M. Scutaro

Notary Public

DONNA M. SCUTARO
Notary Public, State of New York
No. 01SC8064780
Qualified in Kings County
Commission Expires 7/01/2013

This report ** contains (check all applicable boxes):

- (a) Facing Page.
- (b) Statement of Financial Condition.
 - (c) Statement of Income (Loss).
 - (d) Statement of Changes in Financial Condition.
 - (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
 - (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
 - (g) Computation of Net Capital.
 - (h) Computation for Determination of Reserve Requirements Pursuant to Rule 1 5c3-3.
 - (i) Information Relating to the Possession or Control Requirements Under Rule 1 5c3-3.
 - (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 1 5c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 1 5c3-3.
 - (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
 - (m) A copy of the SIPC Supplemental Report.
 - (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous
 - (o) Independent Auditors' report on Internal Control

**For conditions of confidential treatment of certain portions of this filing, see section 240.1 7a-5(e)(3).

SCOTT-MACON SECURITIES, INC.

FINANCIAL STATEMENT

September 30, 2012

**AND
INDEPENDENT AUDITORS' REPORT**

RSSM

ROSEN SEYMOUR SHAPSS MARTIN & COMPANY LLP
Certified Public Accountants & Profitability Consultants



SCOTT-MACON SECURITIES, INC.

FINANCIAL STATEMENT

September 30, 2012

AND

INDEPENDENT AUDITORS' REPORT

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September 30, 2012

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Scott-Macon Securities, Inc.:

We have audited the accompanying statement of financial condition of Scott-Macon Securities, Inc. (the "Company") (a wholly owned subsidiary of Scott-Macon, Ltd.) as of September 30, 2012, that you filed pursuant to rule 17a-5 under the Securities Exchange Act of 1934. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of Scott-Macon Securities, Inc. as of September 30, 2012, in conformity with accounting principles generally accepted in the United States of America.

This statement of financial condition is intended solely for the information and use of the board of directors, stockholder, and management of Scott-Macon Securities, Inc. and Scott-Macon, Ltd. and the filing with the National Association of Securities Dealers, Inc. and should not be used for any other purposes.

Rosen Seymour Shapss Martin & Company LLP

CERTIFIED PUBLIC ACCOUNTANTS

New York, New York
November 13, 2012

STATEMENT OF FINANCIAL CONDITION

September 30, 2012

Assets

Cash	\$ 78,183
Receivables, net of allowance of \$27,684	27,079
Prepaid expenses	<u>6,490</u>
Total assets	<u>\$ 111,752</u>

Liabilities and Stockholder's Equity

Liabilities:

Accrued expenses	\$ 5,417
Due to parent	<u>3,607</u>
Total liabilities	9,024

Stockholder's equity	<u>102,728</u>
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Total liabilities and stockholder's equity	<u>\$ 111,752</u>
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The accompanying notes are an integral part of this financial statement.

NOTES TO FINANCIAL STATEMENT

September 30, 2012

1. Summary of Significant Accounting Policies

Business Activities

Scott-Macon Securities, Inc. (the "Company") is a wholly owned subsidiary of Scott-Macon, Ltd. (the "Parent") and is a broker-dealer registered with the Securities and Exchange Commission and the Financial Industry Regulatory Authority ("FINRA"). The Company's activities primarily consist of arranging the private placement of various types of securities and other consulting services. All customer transactions are cleared on a fully disclosed basis through an independent clearing firm. The Company does not carry securities accounts for its customers nor does it provide custodial functions related to those securities, and it claims exemption from the requirements of rule 15c3-3 under Section (k)(2)(ii) of the rule.

Income Taxes

The Company files a consolidated tax return with its Parent, under a tax sharing agreement. The Company reimburses its Parent for certain franchise taxes.

FASB ASC 740-10 clarifies the accounting for uncertainty in income taxes recognized in a company's financial statement by prescribing a minimum recognition threshold a tax position is required to meet before being recognized in the financial statement. The Company has determined that, as of September 30, 2012, it has no uncertain tax positions that require either recognition or disclosure in the financial statement.

The Company's income tax returns for years 2010 and 2011 are subject to examination by federal, state and local income tax authorities.

Receivables

Receivables are reported net of allowance for doubtful accounts. The allowance is based on management's estimate of the amount of receivables that will actually be collected after analyzing the credit worthiness of its customers and historical experience, as well as the prevailing business and economic environment.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

2. Transactions With Parent Company

The financial statement is not necessarily indicative of the conditions that would exist, or the results of operations that would have occurred, had the Company been an unaffiliated company.

NOTES TO FINANCIAL STATEMENT (Continued)

September 30, 2012

The Company has an expense sharing agreement with its Parent for a portion of fixed costs and a variable amount allocated based on the time spent on individual projects. These expenses include rent, utilities, travel, telephone, etc. For the year ended September 30, 2012 the Company reimbursed its Parent \$142,067 for fixed expenses and \$112,341 for allocated variable expenses.

As of September 30, 2012 the Company owes \$3,607 to its Parent.

3. Net Capital

SEC rule 15c3-1 requires broker-dealers to maintain certain minimum net capital amounts and also requires that the ratio of aggregate indebtedness to net capital not exceed 15 to 1.

Pursuant to rule 15c3-1, the minimum net capital is the greater of \$5,000 or the aggregate indebtedness divided by 15. Since the aggregate indebtedness is \$9,024 as of September 30, 2012, the minimum net capital is \$5,000. The net capital, as computed under rule 15c3-1, is \$69,159 as of September 30, 2012. The Company's ratio of aggregate indebtedness to net capital was .013 to 1 as of September 30, 2012.

4. Subsequent Events

The Company has evaluated its subsequent events through November 13, 2012, the date that the accompanying financial statement was available to be issued. The Company had no material subsequent events requiring disclosure.